

Proposal Package

Proposal for Operating Automobile Service Stations Within Yellowstone National Park

CC-YELL004-07

Department Of Interior

National Park Service

Proposal Submission Terms & Conditions

- 1) The Offeror's Transmittal Letter set forth below indicates your acceptance of the terms and conditions of the concession opportunity as set forth in this Prospectus. It indicates your intention to comply with the terms and conditions of the Draft Contract. The letter must bear original signatures and be included in the Offeror's response package. The Service will review the entire Proposal Package to determine whether your proposal in fact accepts without condition the terms and conditions of this Prospectus. If not, your proposal may be considered non-responsive, even though you submitted an unconditional Offeror's Transmittal Letter.
- 2) The Proposal Package is drafted upon the assumption that an Offeror is the same legal entity that will execute the new Draft Contract as the Concessioner. If the entity that is to be the Concessioner is not formally in existence as of the time of submission of a proposal, a proposal must demonstrate that the individuals or organizations that intend to establish the entity that will become the Concessioner have the ability and are legally obliged to cause the entity to be financially and managerially capable of carrying out the terms of the Draft Contract. In addition, the Offeror must unconditionally state and guarantee in its proposal that the Offeror will provide the Concessioner with all funding, management and/or other resources that the proposal offers.

To: Director
Intermountain Region
National Park Service
12795 West Alameda Parkway
Lakewood, CO 80228

Attention: Division of Concessions Management (IMDE-ACM)

Dear Director:

The Offeror hereby agrees to provide visitor services and facilities at Yellowstone National Park in accordance with the terms and conditions specified in the Draft Contract No. CC-YELL004-07, provided in the Prospectus issued by the public notice as listed on www.fedbizopps.gov and to execute the Draft Contract without substantive modification (except as may be required by the National Park Service pursuant to the terms of the Prospectus).

The Offeror is enclosing the required "PROPOSAL" which, by this reference, is made a part hereof.

The Offeror certifies that the information furnished herewith is complete, true and correct and recognizes that false statements may subject the Offeror to criminal penalties of 18 U.S.C. §1001. The Offeror agrees to meet all the minimum requirements of the Draft Contract and the Prospectus, and that the Offeror has provided all of the mandatory information specified in the Prospectus.

The Offeror certifies in accordance with 43 CFR Part 42 the following:

Any of the individuals or entities seeking participation in this Concession Contract are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from a public transaction by a federal department or agency.

Within the three (3) years preceding submission of the Proposal, none of the individuals or entities seeking participation in this Concession Contract have been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction, or for violation of federal or state antitrust statutes or for commission of embezzlement, theft, forgery, bribery, falsification of records, making false statements, or receiving stolen property.

None of the individuals or entities seeking participation in this Concession Contract are presently indicted for or otherwise criminally or civilly charged by a federal, state or local unit of the government with commission of any of the offenses.

The individuals or entities seeking participation in this Concession Contract have not had one or more public transactions (federal, state or local) terminated for cause or default within the three-year period preceding the submission of the Proposal.

The Offeror, by submitting this Proposal hereby agrees, if selected for award of the Draft Contract:

1. To the minimum requirements of the prospectus as identified in Part A of this Proposal Package.
2. To complete the execution of the final Concession Contract within thirty working days after it is presented by the National Park Service.
3. To commence operations under the new Concession Contract on the effective date of the new Concession Contract.
4. To operate under the current, Service approved rates to visitors, until such time as amended rates may be approved by the Service.
5. [Include only if the Offeror is not to be the Concessioner under the Draft Contract] To provide the entity that is to be the Concessioner under the Draft Contract with funding, management and other resources described in our proposal.

BY _____ DATE _____
(Type or Print Name)

ORIGINAL SIGNATURE _____

TITLE _____

ADDRESS _____

CERTIFICATE OF CORPORATE OFFEROR)

(Offerors who are not corporations should skip this certificate)

I, _____, certify that I am the _____ of the corporation named as Offeror herein; that _____, who signed this proposal on behalf of the Offeror, was then _____ of said corporation; that said proposal was duly signed for and in behalf of the corporation by authority of its governing body within the scope of its corporate powers.

BY: _____ DATE _____
(Type or print name and date)

Original Signature

TITLE _____

ADDRESS _____

PART A

The minimum requirements for the Draft Contract are identified in this Part A of the proposal package. If the Offeror, in its transmittal letter, does not agree to these minimum requirements, the proposal will be considered non-responsive. A copy of Part A must be included in the Offeror's response package. (The requirements of Part B of this Proposal Package outline detailed subfactor submissions referenced in this part as well as additional secondary selection factors.)

PRINCIPAL SELECTION FACTOR 1: THE RESPONSIVENESS OF THE PROPOSAL TO THE OBJECTIVES, AS DESCRIBED IN THE PROSPECTUS, OF PROTECTING, CONSERVING, AND PRESERVING RESOURCES OF THE PARK AREA.

The Offeror agrees to comply with all applicable laws, including, without limitation, environmental protection and conservation laws, under the terms and conditions specified in the Draft Contract.

The Offeror agrees to accept the "Facility Maintenance Expense Requirement" of five percent (5 %) of annual gross receipts, as described in the Draft Contract including the administrative responsibilities associated with the funds.

The Offeror agrees to accept the "Repair and Maintenance Reserve" of three and one-half percent (3.5%) of annual gross receipts, as described in the Draft Contract including the administrative responsibilities associated with the funds.

The Offeror accepts the draft Maintenance Plan included as Exhibit E of the Draft Contract.

PRINCIPAL SELECTION FACTOR 2: THE RESPONSIVENESS OF THE PROPOSAL TO THE OBJECTIVES, AS DESCRIBED IN THE PROSPECTUS, OF PROVIDING NECESSARY AND APPROPRIATE VISITOR SERVICES AT REASONABLE RATES.

The Offeror agrees to the terms and conditions specified in the Draft Contract, including its exhibits.

The Offeror agrees to operate at the current Service approved rates during the term of the Concession Contract until such time as a new rate schedule is approved by the Secretary, in accordance with 16 U.S.C. §5955. A selected Offeror may request a rate increase at any time after the selection of the best proposal is made by the Service.

The Offeror agrees to accept the Concession Facilities, and any assigned government personal property, "as is" as required by the Draft Contract, Section 8(f).

The Offeror accepts without condition the Operating Plan included as Exhibit B of the Draft Contract.

The Offeror agrees to implement an equal opportunity program and comply with the terms of the Equal Opportunity and disabled access requirements of the Draft Contract.

The Offeror agrees to develop and implement an effective health and safety program (Risk Management Program), according to the requirements of the draft Operating Plan for such programs.

The Offeror agrees to meet the public liability and property insurance requirements of the Draft Contract Exhibit F and agrees to provide property and liability insurance of at least the types and levels of coverage described in the Draft Contract.

PRINCIPAL SELECTION FACTORS 3 AND 4 DO NOT HAVE MINIMUM REQUIREMENTS FOR THIS PART. INFORMATION REQUIRED FOR PRINCIPAL SELECTION FACTORS 3 AND 4 IS IN PART B.

PRINCIPAL SELECTION FACTOR 5: THE AMOUNT OF THE PROPOSED MINIMUM FRANCHISE FEE, IF ANY, AND/OR OTHER FORMS OF FINANCIAL CONSIDERATION TO THE DIRECTOR.

The Offeror acknowledges the minimum Franchise Fee is zero percent (**0%**). The Offeror agrees to pay any franchise fee that is offered in its proposal under Principal Selection Factor 5 that may be accepted by the Service.

PART B

PRINCIPAL SELECTION FACTOR 1: THE RESPONSIVENESS OF THE PROPOSAL TO THE OBJECTIVES, AS DESCRIBED IN THE PROSPECTUS, OF PROTECTING, CONSERVING, AND PRESERVING RESOURCES OF THE PARK AREA.

Note to Offeror: This selection factor is concerned with objectives that relate specifically to the protection of the particular resources of the Park. Objectives for improvement of the natural environment in general (waste reduction, fuel efficiency, recycling, etc.) are addressed under secondary selection factor 1. Please avoid overlap between your response here and your response to secondary selection factor 1. For this Principal Selection Factor, please respond only with the information requested in the subfactors.

The Service's objectives under this factor are for the Concessioner to protect, conserve and preserve the Concession Facilities and resources. The Service has particular concern for the preservation of historic structures and cultural landscapes. Several automobile service stations are both historic structures and within cultural landscapes. Under this designation, the Concessioner will maintain the buildings according to the *Secretary of the Interior's Standards for Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, Restoring & Reconstructing Historic Buildings*, the *Secretary of the Interior's Standards for the Treatment of Historic Properties with Guidelines for Treatment of Cultural Landscapes* and the *Secretary of the Interior's Standards for Rehabilitation & Illustrated Guidelines for Rehabilitating Historic Buildings*. The Secretary of the Interior's Standards can be found at www.cr.nps.gov/hps/tsp/secstan1.htm.

Subfactor 1a. Preservation and Maintenance of Facilities

1. Describe how you have addressed unanticipated problems when undertaking maintenance work pertaining to the "fabric" of a building (e.g. the service station at Old Faithful (Upper Station) is a log/concrete structure, constructed in 1940. Extreme weather conditions exist in the area with temperatures ranging from the high 80's in the summer to minus 50 in winter. Logs are exposed to these weather extremes affecting their useful life. Maintenance of the logs (exterior of the building) is a critical "fabric"). Provide two examples. Please include one example of work on a historic structure and one example for a non-historic structure.
2. Describe successful facility management projects that resulted in a significant change in procedure as it relates to your management or maintenance of facilities. Provide two examples. Please include one example of work on a historic structure and one example for a non-historic structure.

For each example, briefly describe how you acquired the expertise necessary including any specialized training to accomplish the work.

Subfactor 1b. Resource Protection

1. Describe your experience meeting or exceeding applicable laws relating to handling gasoline, oil, and other hazardous materials associated with all required and authorized services in the Draft Contract.
2. Describe one example of how you responded to a hazardous materials spill (any size or type).

PRINCIPAL SELECTION FACTOR 2. THE RESPONSIVENESS OF THE PROPOSAL TO THE OBJECTIVES, AS DESCRIBED IN THE PROSPECTUS, OF PROVIDING NECESSARY AND APPROPRIATE VISITOR SERVICES AT REASONABLE RATES.

For this Principal Selection Factor, please respond only with the information requested in the subfactors.

Service Objectives

The Service's primary objective regarding the visitor services to be provided under the Draft Contract is for the Concessioner to deliver high quality visitor services. Though many factors influence this objective, the Service will focus on the following areas:

- High quality seasonal workforce
- Effective measures of customer satisfaction

Subfactor 2a. Explain how you would provide a high quality, skilled, and motivated work force in isolated locations, with a seasonal operation, and a limited labor market by providing the following information

1. Provide two examples from the last five years of how you recruited, retained, or motivated a seasonal workforce.
2. Address efforts you will undertake to foster high morale and to retain both year-round and seasonal employees at various levels within your organization. Your response should address recruitment, compensation and benefit packages, employee quality of life including investments in employee transportation, provisions to prevent employee "burnout," incentives for returning employees, counter-season employment opportunities, and similar issues. The primary focus of your response should be to describe the ways in which your employee compensation and incentive program will motivate and enable your employees to deliver the highest levels of customer service.

Subfactor 2b. The Service-wide goal for visitor satisfaction with commercial services is that by September 30, 2008, 79% of park visitors are satisfied with commercial services. The Area presently exceeds the Service-wide goal and seeks to increase its satisfaction measure yearly. Demonstrate how you will monitor customer satisfaction by providing the following information:

1. Describe additional customer feedback systems and practices you would implement to evaluate and monitor customer satisfaction on a regular basis beyond what is required in the Operating Plan.(Exhibit B, Section 3)E)4).
2. Explain the actions and/or tools you would undertake to increase or enhance customer satisfaction. These actions would enhance visitor and customer information about Area resources. Include how you will train your employees about Area resources to interpret the purpose and significance of the Area, surrounding area and the Service to visitors.

PRINCIPAL SELECTION FACTOR 3. THE EXPERIENCE AND RELATED BACKGROUND OF THE OFFEROR IN PROVIDING THE SAME OR SIMILAR VISITOR SERVICES AS THOSE TO BE PROVIDED UNDER THE CONCESSION CONTRACT.

Note: To assist in the evaluation of proposals under this and other selection factors, please provide the following information regarding your organizational structure. This information will not be scored for selection purposes but may be used for assessing responses to the various selection factors.

Offeror's Organizational Structure. Describe the entity with which the National Park Service will contract. Clearly define the Offeror's relationship to all superior and/or subordinate entities. Identify the entity, if one exists, that has the authority to allocate funds, hire, and fire management employees of the business entity that will hold the contract with the National Park Service. If this entity is a public corporation with a Board of Directors, provide information about the makeup and selection of the Board. Identify a majority shareholder or shareholder with controlling interest, if either exists. If the entity is a limited liability company or partnership, identify and provide information about each member or partner.

Using the Business Organization Form located at the end of this section, identify the Offeror and each business organization, operator, and any parties involved in the management of the proposed concession operation. Use the form appropriate for your organization (Partnership, Sole Proprietorship, Corporation, or Limited Liability Company) and include all information necessary to make the relationships among parties clear. When completed, the Business Organization and Credit Information form should convey the following information:

1. Identify the Offeror formally.
2. Explain the legal form and formal structure of the Offeror.
3. Identify and describe the owners of the Offeror, including, without limitation, all levels of parent organizations, their relationship to the Offeror, and the precise extent of their ownership interest.
4. Identify all related, subordinate, or superior business organizations and any other organizations, contractors, or subcontractors that will have a significant role in managing, directing, operating, or otherwise carrying out the services to be provided by the Offeror. Describe in detail how these relationships will work formally and in practice.
5. Identify how long the Offeror has existed as a legal entity.

6. Submit your organizational documents (e.g. Partnership Agreement, Articles of Incorporation).

Subfactor 3a. Demonstrate that your organization is structured and staffed to effectively carry out the responsibilities of the Draft Contract by providing the following information:

Clearly outline the organizational structure you intend to use to manage and execute the services contemplated under the new Draft Contract during peak and off peak seasons. To the extent that support services such as purchasing or human resources will be provided by a corporate parent, clearly identify how this support will benefit the operation. Provide the principle lines of authority between departments and managers.

Describe the qualifications of the person you would employ for each of the following positions. Include relevant experience, minimum qualifications, certifications (if applicable), and education in a consistent format.

- Corporate officer(s)/executives with responsibility for directly supervising the general manager or any other member of the management team for this contract.
- General Management Team
- Departmental and/or area managers

In addition, provide workforce estimates in Full Time Equivalents (FTE) for each operating department identified in your income statement under Principal Selection Factor 4, during both peak and off-peak seasons.

Subfactor 3b: The Service is aware any large business will receive the occasional audit deficiency, notice of violation, penalty, fine, marginal public health inspection or similar regulatory notices. We are interested in understanding how your business manages these infractions.

For the Offeror, parent company or any of its principals and any subsidiaries or related entities under the primary organizational entity (e.g., a parent corporation and all subsidiaries), whether as a principal or employee of Offeror or otherwise, identify any infraction issued by a federal or state regulatory agency in the last five years. For each infraction, provide the following:

1. What was the basis for the infraction?
2. Who issued the infraction?
3. When was the infraction issued?
4. How did you address the infraction?
5. How will you ensure that the problem does not recur?

If you report no such infraction, please explain the scope of entities and infractions you considered in providing your response.

**BUSINESS ORGANIZATION
PARTNERSHIP OR SOLE PROPRIETOR
(PRINCIPAL SELECTION FACTOR 3)**

Name of Entity	
Address	
Telephone Number	
Fax Number	
Email Address	
Contact Person	
Title	
Tax ID #	
Form of Business:	
<input type="checkbox"/> Partnership <input type="checkbox"/> Sole Proprietor <input type="checkbox"/> Other (please describe) _____	
Years in Business	

OWNERSHIP			
Names And Addresses Of Each Partner Or Sole Proprietor	Percentage of Ownership	Current Value of Business	Role in Providing Concession Services

**BUSINESS ORGANIZATION
CORPORATION/LIMITED LIABILITY COMPANY
(PRINCIPAL SELECTION FACTOR 3)**

Complete separate form for the submitting corporation and the parent corporation (include all partners in a joint venture).

Name of Entity	
Address	
Telephone Number	
Fax Number	
Email Address	
Contact Person	
Title	
Tax ID#	
State of Incorporation	
Date of Incorporation	

OWNERSHIP	NUMBER AND TYPE OF SHARES OR PERCENTAGE OF OWNERSHIP	CURRENT VALUE OF INVESTMENT
Names and Addresses of those with controlling interest or key principals		
Total of All		
Total Shares Outstanding		

CORPORATE OFFICERS AND BOARD OF DIRECTOR OR MANAGING MEMBERS	ADDRESS	TITLE AND/OR AFFILIATION

PRINCIPAL SELECTION FACTOR 4. THE FINANCIAL CAPABILITY OF THE OFFEROR TO CARRY OUT ITS PROPOSAL (Scoring: 0-5 Points)**General Notes:**

- In the event the Offeror is not the legal entity that is to be the Concessioner, provide the information described below with respect to both the Offeror, including all partners in a joint venture, and the proposed Concessioner. Also describe the Offeror's financial relationship to the proposed Concessioner. If the entity that is to be the Concessioner is not formally in existence as of the time of submission of a proposal, a proposal must demonstrate that the individuals or organizations that intend to establish the entity that will become the Concessioner have the ability and are legally obliged to cause the entity to be financial and managerially capable of carrying out the terms of the Contract. In addition, the Offeror must unconditionally state and guarantee in its proposal that the Offeror will provide the Concessioner with all funding, management and/or other resources that the proposal offers.
- Information submitted under any individual subfactor may be used by the Service to evaluate other subfactors.

Subfactor 4a: Demonstrate that you have a credible, proven track record of meeting your financial obligations by providing the following:

- 1) The completed Business History Information form provided at the end of this factor.
- 2) Provide financial statements for the two most recent fiscal years, with all notes to the financial statements. Provide the financial statements for the Offeror AND all parent companies. Provide personal financial statements for an owner of a sole proprietorship, general partners within a partnership and members of a limited liability company.
 - A) Provide audited financial statements with all notes to the financial statements.

OR

- B) If audited financial statements are not available or not representative of the financial history, present an explanation in sufficient detail to enable a reviewer to fully understand the reasons why audited statements are not available. In addition, provide compelling evidence, accompanied by a description, of your financial track record.
- 3) A CURRENT credit report (within the last six months) from a major credit reporting company such as Equifax, Experian, or Dunn & Bradstreet.

Subfactor 4b: Demonstrate that you understand the financial obligations and potential of the Draft Contract by providing the following:

- 1) Your estimate of the acquisition and start-up costs of this business using the Initial Investment and Start-Up Expenses form (a sample of this form is located at the end of this section) that is included in the Excel spreadsheets provided in the CD labeled Proposal Package PSF 4 Forms. Explain fully the methodology and the assumptions used to develop the estimate. The information provided should be of sufficient detail to allow a reviewer to fully understand how the estimates were determined.
- 2) Using the Excel spreadsheets provided in CD labeled Proposal Package PSF 4 Forms (samples of these forms are located at the end of this section), provide estimates of prospective revenues and expenses of the concession business in the form of annual prospective income and cash flow statements for the entire term of the Draft Contract.

Additional general notes are included in the provided forms.

- The Service has provided forms that request the information in the format it desires. These forms may differ from the format and requirements set forth in generally accepted auditing standards (GAAS) with regard to prospective financial statements. The Service does NOT request that the prospective financial statements be reviewed in accordance with GAAS. In situations where the information requested departs from GAAS, the Service requests that the information be provided in the format requested and NOT in conformance with GAAS.
- You may expand on the information requested on the form, but do not provide less, do not reduce the captions (line-items) called for, and do not change the order of items.
- Do not add or eliminate rows on the Excel spreadsheets provided. Columns should not be deleted; however, columns may be added to adjust the number of years to the Draft Contract term, if necessary. If you wish to provide additional information, do so in additional spreadsheets, outside of the ones provided. If additional information is provided, clearly identify how it fits into the income statement, cash flow, and/or assumption tables. For the purpose of the proforma statements utilize the calendar year as the fiscal year.
- Provide a clear and concise narrative explanation of the method(s) used to prepare the estimates and the assumptions on which your projections are based. Information must be sufficiently detailed to fully understand how the estimates were determined.
- Complete all of the forms provided and submit both a hard copy and an Excel spreadsheet file. Failure to provide all of the information requested on these forms may result in a reduced score. Use the electronic version of the Operating Assumptions and Prospective Income Statement form provided. The financial basis of any projections that show significantly increased revenues and/or decreased expenses from the projections provided in the Prospectus should be fully explained.

Subfactor 4c: Demonstrate your ability to obtain the required funds by providing credible, compelling documentation. Fully explain the financial arrangements you propose, using the following guidelines:

- 1) If funds are to be obtained from operating cash flows, document each source and availability of these funds by referencing your previous and current audited financial statements.
- 2) If funds are to be obtained from lending institutions (banks, savings and loans, etc.), provide financing agreements, letters of commitment, or similar supporting documents. Also, include a letter (addressed to the National Park Service from the Lender), which provides compelling documentation as to the amount of funds available to the Offeror at the start of the Draft Contract. Include the lending institution contact name on the letter and authorize the lending institution to release any information to the National Park Service concerning relevant financing arrangements.
- 3) If funds are to be obtained from an individual, or a corporation whose primary fund source is an individual, provide the following as appropriate:
 - a. Current personal financial statement for the primary source of funds.
 - b. Documentation of any assets to be sold.
 - c. Written funding commitment from the individual or corporation.
 - d. Any other assurances or documentation that makes a compelling demonstration that the funds are available.
- 4) If funds are to be obtained from working capital liabilities (such as advanced deposits or accounts payable), please provide an estimates and a rationale for each estimate. The information provided should be of sufficient detail to allow a reviewer to fully understand how the estimates were determined.
- 5) If funds are to be obtained from another source (i.e., a corporation whose primary fund source is not an individual), provide the following as appropriate:
 - a. Written funding commitment from the fund source.
 - b. Any other documentation that is necessary to create a compelling demonstration that the funds required to operate this business opportunity are available.

BUSINESS HISTORY INFORMATION
(PRINCIPAL SELECTION FACTOR 4 – SUBFACTOR 4A)

Business History Information should be provided for the Offeror AND all parent companies.

1. List any Foreclosures, Bankruptcies, Transfers in Lieu of Foreclosure and/or Work-Out/Loan Modification Transactions during the *past 10 years*. (If none, please indicate)

Name of Property	City, State	Property Type	Approximate Loan Amount	Lender	Year of Event

Attach an explanation of circumstances, including resolution, bankruptcy plan, and/or other documentation as appropriate.

2. Describe any pending litigation or current lawsuits (other than those covered adequately by insurance) which if adversely resolved would materially impact the financial position of the Offeror.

PRINCIPAL SELECTION FACTOR 5. FRANCHISE FEE AND OTHER FORMS OF FINANCIAL CONSIDERATION TO THE DIRECTOR

Offering a higher minimum franchise fee than the minimum franchise fee stated in the prospectus is generally beneficial to the Service and accordingly may result in a higher score under this selection factor. However, consideration of revenue to the United States will be subordinate to the objectives of protecting, conserving, and preserving resources of the park area and of providing necessary and appropriate visitor services to the public at reasonable rates.

The minimum franchise fee acceptable to the Service is 0% of annual gross receipts.

Subfactor 5(a). State the minimum franchise fee that you propose. (Such fee must at least equal the minimum franchise fee set forth above.) Express this fee as a percentage of annual gross receipts.

_____ percent of annual gross receipts

SECONDARY SELECTION FACTORS

SECONDARY SELECTION FACTOR 1. THE QUALITY OFFEROR PROPOSES TO CONDUCT ITS OPERATIONS IN A MANNER THAT FURTHERS THE PROTECTION, CONSERVATION AND PRESERVATION OF PARK AND OTHER RESOURCES THROUGH ENVIRONMENTAL MANAGEMENT PROGRAMS AND ACTIVITIES, INCLUDING BUT NOT LIMITED TO ENERGY CONSERVATION, WASTE REDUCTION, GREEN PROCUREMENT AND RECYCLING: (0 to 3 points)

Note to Offeror: This secondary selection factor focuses on environmental management programs and activities that promote best management practices in such areas such as solid waste reduction, energy efficiency, and recycling. Please avoid overlap between your response here and your response to Principal Selection Factor 1. For this Secondary Selection Factor, please respond only with the information requested in the subfactors.

Subfactor 1a: What steps will you take to (1) conserve water, (2) conserve energy, and (3) to reduce solid waste daily operations?

Subfactor 1b: How will you reduce, eliminate, and/or recycle hazardous materials in your operations, i.e., petroleum-based products, antifreeze and motor oil, etc.?

Subfactor 1c: How do you propose to incorporate the use of bio-diesel and/or other alternative fuels in carrying out all required and authorized services provided under the Draft Contract? Consider internal operations (e.g. fleet management), as well as in services and products sold to the public.

SECONDARY SELECTION FACTOR 2 (0 to 1 points)

Describe how your proposal would directly result in increased resource protection or improved visitor service. In this context, please propose any additional project, operating procedure, or maintenance commitment not already described in other selection factors or Draft Contract that you would undertake during the term and within the scope of the Draft Contract. Your proposal must not result in the establishment of a value of leasehold surrender interest in the Concession Facilities. You must demonstrate how your proposal is within the scope of the Draft Contract including all of its exhibits.

INITIAL INVESTMENTS AND START-UP EXPENSES FORM (Principal Selection Factor 4 - Subfactor 4b)	
Grey Cells Are Input Cells	
Company Name	
CONCID	YELL004-07
Assets	
Existing Assets	
Assets necessary to the operation of the Concession, <u>already owned by the Offeror</u> , that will be allocated to the operation of the Draft Contract.	
Real Property (not within the Park)	\$
Personal Property	\$
Inventory	\$
Other (describe)	\$
Subtotal	\$ 0
Planned Asset Acquisition	
Assets necessary to Operate the Concession, that will be acquired by the Offeror if awarded the Draft Contract. This may include acquisition of property currently owned by the Existing Concessioner or other sources.	
Real Property (not within the Park)	\$
Personal Property	\$
Inventory	\$
Other (describe)	\$
Subtotal	\$ 0
Total	\$ 0
Other	
Start-Up Expenses	\$
Working Capital	\$
Other (describe)	\$
Total	\$ 0
Total Initial Investments and Start-up Expenses	\$ 0
Notes	
<p>1) Formulas included in this form are provided by the NPS as guidance only. The Offeror is responsible for its financial projections and their accuracy.</p> <p>2) Yellow cells represent categories that need to be explained on the "Investments Assumptions" worksheet.</p> <p>3) All Offerors must include their estimate of the value of all property intended, whether planned for acquisition or currently owned, for use in the Draft Contract.</p> <p>4) The items indicated above are the estimated planned expenditures for initial investment, defined as one-time costs in either the year prior to or the first year after the start of the Draft Contract.</p> <p>5) Expenditures entered in this form should be in addition to that of typical annual capital investments and operating expenses of the first year of the Draft Contract.</p> <p>6) Expenditures entered into this form should not be included in the proforma income statement.</p> <p>7) Expenditures entered in this form should be included in the cash flow proforma as capital expenditures in either the year prior to or the first year after the start of the Draft Contract.</p>	
Definitions	
Start-up Expenses	
One-time expenses incurred prior to the beginning of the contract, or during the first year of the contract, if needed, to implement your proposal.	
Working Capital	
Additional funds for working capital current assets such as pre-paid expenses, contingencies, and other necessary cash flow requirements. This should not be confused with Net Working Capital (current assets-current liabilities). Working capital current liabilities (such as advanced deposits, and accounts payable, should be included as funding sources in Subfactor 4c)	

INITIAL INVESTMENTS AND START-UP EXPENSES ASSUMPTIONS (Principal Selection Factor 4 - Subfactor 4b)	
Grey Cells Are Input Cells	
Company Name	
CONCID	YELL004-07
Assets	
Existing Assets	
Assets necessary to the operation of the Concession, <u>already owned by the Offeror</u> , that will be allocated to the operation of the Draft Contract.	
Real Property (not within the Park)	Describe
Personal Property	Describe
Inventory	Describe
Other (describe)	Describe
Planned Asset Acquisition	
Assets necessary to Operate the Concession, that <u>will be acquired</u> by the Offeror if awarded the Draft Contract. This may include acquisition of property currently owned by the Existing Concessioner or other sources.	
Real Property (not within the Park)	Describe
Personal Property	Describe
Inventory	Describe
Other (describe)	Describe
Other	
Start-Up Expenses	Describe
Working Capital	Describe
Other (describe)	Describe
Notes	
In the description sections of this form, please provide an explanation of sufficient detail to allow a reviewer to fully understand how the estimates were determined.	

INCOME STATEMENT FORM (Principal Selection Factor 4 - Subfactor 4b)											
Grey Cells Are Input Cells	Company Name CONCLO YELL004-07	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Prospective Income Statement											
Gross Revenue											
Fuel Service											
Towing											
Merchandise											
Other Revenue											
Total Gross Receipts (if Different)											
Gross Profit											
Direct Expenses											
Payroll Taxes and Wages											
Operating Supplies											
Utilities											
Insurance											
Advertising											
Other Undistributed											
Total Direct Expenses											
Undistributed Expenses											
Management and Other Salaries											
Telephone											
Other Undistributed											
Total Undistributed Expenses											
Total Fixed Expenses											
Rent											
Property Taxes											
Insurance											
Other											
Total Fixed Expenses											
Total Operating Expenses											
EBITDA RTG											
Franchise Fee											
Maintenance Reserve											
EBITDA											
Interest Expense											
Depreciation and Amortization											
Net Profit Before Taxes											
Income Tax											
Net Income											
Notes											
1) Formulas included in this form are provided by the NFS as guidance only. The Offeror is responsible for its financial projections and their accuracy.											
2) Only projected receipts and expenses related to the services "required" by the contract and those you choose to operate under "authorized" services are to be itemized and included in your prospective statements. Please clearly identify, by service type, all revenues associated with authorized services.											
3) Fully explain and document your Gross Revenue build-up. State annual inflation rate assumptions, rate increase assumptions, utilization assumptions and any estimates of real revenue growth.											
4) Clearly describe the composition of each item classified under Undistributed and Fixed Expenses. If the expense item is allocated from or shared with a parent or related entity, please describe the allocation method. In particular, if you intend to assess a Management Fee, or other form of corporate overhead and profit, you must clearly describe what this fee/profit is.											
Definitions											
Gross Receipts: Gross Receipts less any revenues that are exempt from franchise fee.											
EBITDA RTG: Earnings Before Interest, Taxes, Depreciation, Amortization, and Return to the Government (Franchise Fee and Maintenance Reserve)											
Franchise Fees: A percentage of gross receipts due to the National Park Service.											

INCOME STATEMENT ASSUMPTIONS (Principal Selection Factor 4 - Subfactor 4b)	
Grey Cells Are Input Cells	
Company Name	
CONCID YELL004-07	
Revenue	
Fuel	Describe
Auto Service	Describe
Towing	Describe
Merchandise	Describe
Direct Expenses	
Direct Salaries & Wages	Describe
Payroll Taxes and Benefits	Describe
Operating Supplies	Describe
Utilities	Describe
Transportation	Describe
General	Describe
Undistributed Expenses	
Management and Other Salaries	Describe
Office Supplies	Describe
Telephone	Describe
Advertising	Describe
Other Undistributed	Describe
Fixed Expenses	
Rent	Describe
Property Taxes	Describe
Insurance	Describe
Other	Describe
<u>Notes</u> 1) In the description sections of this form, please provide an explanation of sufficient detail to allow a reviewer to fully understand how the estimates were determined. 2) Please also note that revenue projections must be based on rates determined by the approval methods set forth in the draft Operating Plan.	
<u>Examples</u> Revenue Assumption Description Example ***The following example does not reflect the above opportunity and is provided for the purpose of clarification only.*** Revenue inflation is expected increase at the same rate as the Consumer Price Index which is predicted to grow at a rate of 2.7% annually, based upon historical as reported by the Bureau of Labor Statistics. No real growth is expected to occur, keeping in line with historical revenues at the concession. Therefore, over revenue growth is forecast to occur at an average annual rate of 2.7% over the life of the Draft Contract.	
Expense Assumption Description Example ***The following example does not reflect the above opportunity and is provided for the purpose of clarification only.*** Direct expenses are expected to surpass historical direct expenses, as fuel and insurance prices increase. Studies by the Department of Commerce indicate that fuel prices will rise at a rate of 10% annually over the next ten years, as opposed to the historical ten year rate of 4% annually. Additionally, insurance costs, according to a nationwide insurance broker survey, are expected to rise at 15% annually for the next 10 years, as opposed to the 10 year historical rate of 2% annually. Accordingly, direct expenses associated with the operation are forecast to increase from an annual average of 10% of Gross Revenue to an annual average of 20% of Gross Revenues over the life of the Draft Contract.	

CASH FLOW STATEMENT FORM (Principal Selection Factor 4 - Subfactor 4b)											
Grey Cells Are Input Cells											
Company Name											
CONCID YELL004-07											
Prospective Cash Flow Statement	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
Operating Activities											
Net Income											
Depreciation											
Amortization											
Change in working capital											
Other (describe)											
Net Cash Provided by Operating Activities											
Financing Activities											
Dividend											
Notes Payable											
Other (describe)											
Net Cash Used in Financing Activities											
Investment Activities											
Personal Property (Include salvage value in last year of operation)											
Real Property (Not within park)											
Other (describe)											
Net cash used in investing activities											
Total Cash Flow											
Notes	<p>1) Formulas included in this form are provided by the NPS as guidance only. The Offeror is responsible for its financial projections and their accuracy.</p> <p>2) Yellow cells represent categories that need to be explained on the "Cash Flow Statement Assumptions" worksheet.</p> <p>3) Investment activities should include entries for one time acquisition and disposal at the beginning and end of the Draft Contract term as well as cyclical or annual capital investments such as replacement.</p> <p>4) Estimates for capital expenditures in the Cash Flow Statement's made prior to or during the first year after the start of the Draft Contract should be reflective of estimates provided in the Initial Investment and Start-up Costs form.</p> <p>5) Clearly delineate between personal and real property and define your rationale and assumptions for each category.</p>										

CASH FLOW STATEMENT ASSUMPTIONS (Principal Section Factor 4 - Subfactor 4b)	
Grey Cells Are Input Cells	
Company Name	
CONCID YELL004-07	
Prospective Cash Flow Statement	
Investment Activities	
Personal Property (Include salvage value in last year of operation)	Describe
Real Property (Not within park)	Describe
Other (describe)	Describe
Notes	
In the description sections of this form, please provide an explanation of sufficient detail to allow a reviewer to fully understand how the estimates were determined.	